



Department of Defense **DIRECTIVE**

January 3, 1996
NUMBER 1205.20

ASD(RA)

SUBJECT: Reserve Component Incentive Programs

- References: (a) Assistant Secretary of Defense for Reserve Affairs Memorandum, "FY 1986 Incentives Program for the Ready Reserve," February 24, 1986 (hereby canceled)
- (b) Assistant Secretary of Defense for Health Affairs Memorandum, "Interim Authority to Provide Specialized Training Assistance in the Health Professions for Members of the Reserve Components," December 22, 1987 (hereby canceled)
- (c) Title 37, United States Code
- (d) Title 10, United States Code
- (e) DoD Instruction 1205.21, "**Reserve** Component Incentive Programs Procedures,"

A. PURPOSE

This Directive:

1. Supersedes references (a) and (b), establishes policy, and assigns responsibilities for the management of the Reserve Component Incentive Programs in the Department of Defense.
2. Establishes policy and assigns responsibilities for the implementation of Sections 302g, 308b through 308e, 308h, and 308i of reference (c).
3. Establishes policy and assigns responsibilities for the implementation of Sections 16201 through 16203, 16301, and 16302 of reference (d).

B. APPLICABILITY

This Directive applies to the **Office** of the Secretary of Defense, the Military Departments (including the Coast Guard when it is not operating as a Military Service in the Navy by agreement with the Department of Transportation), the Chairman of the Joint Chiefs of Staff, and the Defense Agencies.

C. POLICY

It is DoD policy that

1. Incentive programs shall be used to attract and retain individuals possessing or qualifying for training in critical skills and/or critical units needed in wartime, and to sustain membership

and maintain readiness in the National Guard and the Reserve components.

2. The incentive programs authorized for implementation in subsections A.2. and A.3., above, shall be used to attract and retain individuals possessing, or qualifying for training in, critical skills or critical units needed in wartime, and to sustain membership and maintain readiness in the National Guard and Reserve components. They shall be implemented in specific situations where other, less costly, methods have proven inadequate or ineffective and only as necessary to support unit and skill staffing requirements.

3. Incentive programs are only one element of personnel inventory control and are not substitutes for good planning and management. It is essential that the Military Departments implement the legislative provisions referenced in subsections A.2. and A.3., above, in the most cost-effective manner.

D. RESPONSIBILITIES

1. The Under Secretary of Defense for Personnel and Readiness shall ensure that:

a. The Assistant Secretary of Defense for Reserve Affairs (ASD(RA)) shall:

(1) Monitor compliance with this Directive.

(2) Propose revisions to the DoD policy established by this Directive as necessary for authorization and termination of payments and, in accordance with applicable provisions of law referenced in subsections A.2. and A.3., above, for the recoupment of funds from members who do not fulfill the conditions of service specified in their incentive agreement or who are paid erroneously.

(3) Review the critical units and/or critical skills designated by the Secretaries of the Military Departments as eligible for participation in the incentive program(s) on an annual basis.

b. The Assistant Secretary of Defense for Health Affairs (ASD(HA)) shall publish biennially, in odd-numbered years, a list of critical officer skills needed to meet Ready Reserve shortages that shall govern all health professionals' incentives.

2. The Under Secretary of Defense (Comptroller) shall provide advice and assistance on all financial matters.

3. The Secretaries of the Military Departments concerned and the Commandant of the Coast Guard shall:

a. Publish guidance to implement this Directive and DoD Instruction 1205.21 (reference (e)).

b. Administer the Reserve Component Incentive Programs for the Reserve components under their jurisdiction, in accordance with the policies established in section C., above.

c. Provide the ASD(HA) a listing of skills recommended for health professions incentives not later than June 30 of each odd-numbered year for ASD(HA) concurrence.

d. Provide the ASD(RA) by August 31- of each year a list of the critical units and/or critical skills eligible to participate in each of the Reserve Component Incentive Programs based on critical needs and anticipated wartime shortages.

e. Ensure that only those persons who meet established eligibility criteria participate in the incentive programs.

f. Ensure widest dissemination of information on the availability of the incentive programs.

g. Maintain information on all members who have been paid incentives and who have been determined to have failed to participate satisfactorily in required training, or who have been transferred or discharged from the Ready Reserve. Terminate payments and recoup funds, as appropriate, from those members, in accordance with DoD Instruction 1205.21 (reference (e)).

E. EFFECTIVE DATE

This Directive is effective immediately.

A handwritten signature in black ink, appearing to read "John P. White", is written over a series of horizontal lines.

John P. White
Deputy Secretary of Defense